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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/777,093	02/13/2004	Ivo V. Ivanov	A-10041	4549
181 7590 09/05/2008 MILES & STOCKBRIDGE PC 1751 PINNACLE DRIVE SUITE 500 MCLEAN, VA 22102-3833				
EXAMINER				
TROTTER, SCOTT S				
ART UNIT		PAPER NUMBER		
3694				
NOTIFICATION DATE		DELIVERY MODE		
09/05/2008		ELECTRONIC		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

ipdocketing@milestockbridge.com
sstiles@milestockbridge.com

Office Action Summary

Application No.

10/777,093

Applicant(s)

IVANOV ET AL.

Examiner

SCOTT S. TROTTER

Art Unit

3694

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 May 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-17 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-17 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SF/ICE)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Status of the Claims

1. This action is in response to the response filed on May 20, 2008. Claims 1-17 are pending and examined.

Response to Arguments

2. Applicant's arguments filed May 20, 2008 have been fully considered but they are moot due to the new grounds of rejection necessitated by the applicant's amendment.

Drawings

3. The informality was corrected by the new drawings that were submitted on May 20, 2008. The objection is withdrawn.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 1-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bove et al. (U.S. Patent 7,149,713 B2 hereafter Bove) in view of O'Shaughnessy et. al. (U.S. Patent 7,177,831 B1).

As per claim 8 Bove teaches:

A method for portfolio management using an electronic investment management system, comprising:

- a. receiving initial investment information from a user, including initial investment amount and financial goal information, into the electronic investment management system; (*See Bove column 1 lines 56-62*) (*see O'Shaughnessy abstract*)
- b. receiving risk tolerance level information from the user into the electronic investment management system; (*See Bove column 1 lines 58-60 and column 1 lines 12-17*) (*see O'Shaughnessy abstract*)
- c. determining a recommended asset allocation strategy for the investment portfolio based on the received investment information and risk tolerance level information; (*See Bove column 1 lines 15-17 and column 1 lines 62-column 2 line 2.*) (*see O'Shaughnessy abstract*)
- d. implementing the recommended asset allocation strategy by the investment management system; (*See Bove column 1 lines 62-column 2 line 14*) (*see O'Shaughnessy abstract*) and
- e. sending one or more email reminders to the user reminding the user that it is time to rebalance the portfolio; (*see O'Shaughnessy abstract page 2 last few lines*) and
- f. automatically rebalancing the portfolio upon a predetermined condition. (*see O'Shaughnessy abstract*) (*See Bove column 1 lines 17-21.*)

While Bove does not explicitly teach sending email reminders that it is time to rebalance the portfolio O'Shaughnessy does teach periodically sending email reminders that it is time to rebalance a portfolio. (*see O'Shaughnessy abstract page 2 last few*

lines) Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to have followed the teaching of O'Shaughnessy to send email regarding rebalancing the portfolio.

As per claim 9 Bove teaches:

The method of claim 8, wherein the predetermined condition is a predetermined date. (*See Bove column 1 lines 17-21*. Periodically inherently includes once a month or once a year both of which would involve predetermined dates.)

As per claim 10 Bove teaches:

The method of claim 9, wherein the predetermined date is an anniversary date of the portfolio's creation date. (*See Bove column 1 lines 17-21*. Periodically inherently includes once a month or once a year both of which would involve predetermined dates the anniversary date of the portfolios creation would be rebalancing a portfolio once year.)

As per claim 11 Bove teaches:

The method of claim 8, additionally comprising:

f. receiving additional investment information from the user. (*See Bove column 1 lines 17-21*. In order to modify allocation choices based on the investors needs changing it is inherent that those changed needs are communicated to the system.)

As per claim 12 Bove teaches:

The method of claim 11, additionally comprising:

g. automatically rebalancing the portfolio upon receiving the additional investment information. (*See Bove column 1 lines 17-21*.)

As per claim 13 Bove teaches:

The method of claim 11, wherein the predetermined condition is the additional investment being greater than or equal to a predetermined threshold. (*See Bove column 1 lines 17-21 and column 1 lines 29-37. Excessive transaction costs inherently preclude making investments with small amounts of money relative to the transaction costs it would be better to not reach the desired allocation until the benefits of rebalancing out weigh the transaction costs.*)

As per claim 14 Bove teaches:

The method of claim 11, wherein the additional funds are invested pro rata in accordance with the portfolio's asset allocation as of the date of the additional investment. (If an investment is to be made at the same time a portfolio is rebalanced it will naturally be invested pro rata in accordance with the portfolio's asset allocation as of that date.)

As per claim 15 Bove teaches:

The method of claim 8, wherein executing the rebalancing step (e) makes trade orders in a tax aware manner. (*See Bove column 2 lines 15-19*)

As per claims 1-3 see the rationales of claims 8-10 as parallel system claims to the method.

As per claim 4 Bove teaches:

The system of claim 1, wherein the predetermined condition is an additional investment into the portfolio. (*See Bove column 1 lines 17-21. Since a new investment*

would change the portfolio's allocation from the optimal allocation it would inherently be one of the periodic times to consider rebalancing.)

As per claim 5 Bove teaches:

The system of claim 4, wherein the additional investment is greater than or equal to a predetermined threshold. (See *Bove column 1 lines 17-21 and column 1 lines 29-37*. Excessive transaction costs inherently preclude making investments with small amounts of money relative to the transaction costs it would be better to not reach the desired allocation until the benefits of rebalancing out weigh the transaction costs.)

As per claim 6 Bove teaches:

The system of claim 4, wherein the additional funds are invested pro rata in accordance with the portfolio's asset allocation as of the date of the additional investment. (If an investment is to be made at the same time a portfolio is rebalanced it will naturally be invested pro rata in accordance with the portfolio's asset allocation as of that date.)

As per claim 7 Bove teaches:

The system of claim 1, wherein the asset allocation strategy execution module executes trade orders in a tax aware manner. (See *Bove column 2 lines 15-19*)

6. Claims 16 and 17 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bove et al. (U.S. Patent 7,149,713 B2 hereafter Bove) in view of O'Shaughnessy et. al. (U.S. Patent 7,177,831 B1) and Official Notice.

As per claims 16 and 17 Bove and O'Shaughnessy teach claims 1 and 8 from which they depend but do not explicitly teach acting after failing to receive a response.

Official Notice is taken that it is old and well known in the art of commerce to act after failing to receive a response with an example being foreclosing on a mortgage if the borrower fails to make payments after being notified that they are required to do so. Therefore it would have been obvious to a person of ordinary skill in the art at the time the invention was made to act if there was no response to a request that informed someone that such an act would follow a failure to respond.

Conclusion

7. Examiner's Note: The Examiner has cited particular columns and line numbers in the references as applied to the claims for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.
8. Any inquiry concerning this communication from the examiner should be directed to Scott S. Trotter, whose telephone number is 571-272-7366. The examiner can normally be reached on 8:30 AM – 5:00 PM, M-F.
9. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell, can be reached on 571-272-6712.
10. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system, see <http://pair-direct.uspto.gov>.

Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

11. The fax phone number for the organization where this application or proceeding is assigned are as follows:

(571) 273-8300 (Official Communications; including After Final
Communications labeled "BOX AF")

(571) 273-6705 (Draft Communications)

SST
9/6/2008

Conclusion

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP

§ 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any

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extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

/James P Trammell/

Supervisory Patent Examiner, Art Unit 3694